



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: **HB 591** HLS 10RS 1419

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 11, 2010 9:11 AM	Author: ARNOLD
Dept./Agy.: La Motor Vehicle Commission	
Subject: Vehicle Retailers Open Competition	Analyst: Lisa Newton

MOTOR VEHICLES

EN NO IMPACT See Note

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Provides relative to the Motor Vehicle Sales Finance Act

Purpose of the Bill: The proposed measure prohibits any entity or person licensed as a lender of consumer credit (for motor vehicle retail purchases) from requiring a retail motor vehicle dealer to sell any insurance coverage, product, or service in order to secure preferential financing rates.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

An official with the Louisiana Motor Vehicles Commission (Commission) stated that the proposed measure simply sets certain prohibitions relating to lenders and their relationship with motor vehicle retail dealers.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Although this measure establishes a rule within the Motor Vehicles Finance Act, and as such, violations of the rule may occur where the Commission then may issue and collect fines or penalties; an official with the Commission stated that fines and penalties assessed and collected by the Commission have been negligible over the past years.